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## Mid-Century Office Building Back in Business

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**K**nown for the strips of azure and aquamarine panels cloaking its façade, the 211 North Ervay office building has been a distinctive feature of downtown Dallas since the 1950s. Because the aging tower had been largely vacant for the past two decades, city officials at one point planned to raze the structure and turn the parcel into a small park. Thanks to the availability of federal and state historic rehabilitation tax credits (HTCs), the building was renovated and reopened in July as Alto 211, featuring 155,000 square feet of office space and 11,000 square feet of commercial retail space.

“Several of the other major historic rehabilitation projects in Dallas recently have been for hotel or residential uses,”

said Sharon Fleming, director of the Texas Historical Commission’s architecture division. “Bringing this long-vacant office building back into service with a mix of office and retail will be a major boon to the ongoing redevelopment of downtown, and will preserve one of the most unique mid-century buildings in Dallas.”

Others agreed. “We had many buildings in downtown Dallas during that era done in the colored panels, but this is one of the few buildings we have left that still has them [in their original condition],” said David Preziosi, executive director of Preservation Dallas, which included 211 North Ervay on its inaugural list of “Most Endangered Historic Places” in 2004. “The long-term impact is that we have an

**continued on page 2**

*Photo: Courtesy of Merriman Associates Architects Inc.*

**Alto 211 offers 11,000 square feet of ground floor commercial retail space. Developers expect retail tenants to move in by the end of 2014.**



continued from page 1

additional use for the building...the rehab of 211 is getting us one step closer to having our buildings occupied again and providing tax benefits and life to the city."

Built in 1958, the 18-story building was included as a contributing resource to the Downtown Dallas Historic District, which is listed in the National Register of Historic Places. Over the years, the business district evolved to include a variety of restaurants, shops, attractions, museums and art galleries that now surround Alto 211.

Developer and investor Mike Sarimsakci of Alterra International and Alto Partners said Alto 211's central location has attracted dozens of innovative companies as tenants, including several tech startups, law firms, media companies, nonprofits and others. "We think of this building as an entrepreneurial hub and a sort of high-tech mecca in downtown Dallas," said Sarimsakci.

Among the anchor tenants are Tech Wildcatters and its affiliate Health Wildcatters, two Dallas-based business accelerators that now occupy the second and third floors of the building. Gabriella Draney, co-founder and managing partner of Tech Wildcatters, said one of the main appeals of moving to Alto 211 was the chance to collaborate with designers on creating customized work spaces. "We work with startups, so flexibility is the name of the game—and creativity as well," she said.

Alto 211's in-house designer, Nile Tuzun of NILEbrand Hospitality International Inc., said she worked closely with Tech Wildcatters and other tenants to create spaces that serve their needs. "The work environment is changing; keeping this in mind, we created an environment that can both increase productivity and promote collaboration and innovation with the blend of privacy and open work space," said Tuzun. She added that for Tech Wildcatters and Health Wildcatters, "we created a very creative, fun and whimsical space... divided into presentation, social and work zones." One floor houses Tech Wildcatters and Health Wildcatters staff offices and the other is dedicated to program space, where about a dozen portfolio startup companies have access to a stage, conference rooms, shared meeting areas and desk space.

Alto 211's business tenants have access to amenities such as a concierge, laundry and dry cleaning services, valet

parking for special events, catering, a yoga room and bike storage. At press time, about half of the tenants had moved into their office spaces. Sarimsakci said he plans to turn over two floors every six weeks so that the building will be fully completed and occupied by the end of the year.

## Renovations

Updating the dilapidated building for modern use entailed extensive renovations. "It was full of asbestos, the elevators weren't working, the bathrooms weren't working and the old AC system didn't work at all because the pumps were nonoperational and full of sediment inside the pipes," said Sarimsakci.

Crews gutted the building of non-historic features and updated it with a new roof, renovated bathrooms, LED lighting and an advanced heating, ventilation and air conditioning system. Several features of the original building were preserved including the historic marble and terrazzo flooring in the lobby and the concrete flooring in tenant spaces. The building's signature exterior panels were cleaned and water sealed. Sarimsakci said project renovations created at least 100 construction jobs directly and about 300 jobs indirectly.

## Financing

Fleming said that the law authorizing the Texas state HTC does not go into effect until January 2015, so Alto 211 has not yet been approved for the state credit, but is eligible to receive it retroactively. At press time, Part 3 of the project's application for federal HTCs is awaiting approval. Because Alto 211 was financed almost entirely with developer equity and with no debt, the federal and state HTCs are critical to making the project feasible. The amount of HTCs will depend on the final cost of the project, which is estimated to be as high as \$17.5 million. It also received \$2 million in tax increment financing from the city of Dallas that was mostly used for environmental remediation and façade restoration.

Sarimsakci said he ultimately sees the project as an investment in Dallas' larger economy. "It's not that we just finished the building using historic tax credits; we brought it back to life in a very positive way," he said. "We have dynamic tenants creating new technologies, new jobs and new companies." ♦

continued on page 3

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